

**MINUTES OF THE REGULAR MEETING OF THE
WASHINGTON STATE TRANSPORTATION COMMISSION
March 17, 2004**

The regular meeting of the Washington State Transportation Commission was called to order at 9:00 a.m., on March 17, 2004 in Room 1D2 of the Transportation Building in Olympia, Washington.

Commissioners present at the meeting were: Chair Davis, Ed Barnes, Elmira Forner, George Kargianis and Dale Stedman.

APPROVAL OF MINUTES

Chair Davis deferred approval of the February 18 & 19, 2004 minutes to the April 15 & 16, 2004, Commission meeting.

WASHINGTON STATE FERRIES (WSF) QUARTERLY UPDATE

Mike Thorne, CEO, WSF, provided a briefing regarding the implementation of WSF's Operating and Capital Plan. The plan sets the stage to recapitalize and put new equipment in place beginning in the 2001 – 2003 biennium with the implementation of the 5-5-5 Plan. The plan targeted savings in fiscal year 2003 in order to provide long-term financial viability to WSF operations, along with a capital plan that will provide for the timely replacement, preservation and modernization of WSF assets. Mr. Thorne explained WSF's operating budget vs. actual and capital program expenditures authorized vs. actual for the six months ending December 31, 2003. Ridership and farebox revenues continue to trend up for the same six-month period. He briefly outlined the U.S. Coast Guard's approval of the WSF security plan for a six-month trial period. During this trial period there could be modifications of the plan by either WSF or the Coast Guard.

Sam Kuntz, Chief Financial Officer, WSF, provided a briefing regarding new revenue initiatives. The new initiatives involve food, beverage, and retail concessions on board ferries and Pier 52 (Coleman Dock). WSF is currently in the process of selecting vendors and preparing to negotiate contract conditions. He provided an update on the status of the revenue collection system and smart card project. The expected rollout date of the Electronic Fare System is November, 2005 and Smart Card July, 2006. He provided an update on the status of the second year of the Tariff Policy implementation decisions adopted in 2003. The current Tariff Policy eliminates the 10 percent discount for frequent commercial users at the end of the fare year on May 2, 2004. WSF asks that the Commission continue the existing 10 percent commercial user discount for an additional year to allow time for the implementation of the Electronic Fare System.

It was moved by Commissioner Kargianis, and seconded by Commissioner Barnes to continue the 10 percent commercial ferry user fare discount for an additional year. The motion passed unanimously.

RESULTS OF 2004 LEGISLATIVE SESSION

Paula Hammond, Chief of Staff, provided an overview of the Legislative briefing session. She commented that the Legislature continued to support the LEAP list, Nickel Fund projects, and responded to the Initiative 776 shortfall. It addressed ferry security and made supplemental adjustments to the Department's programs.

Amy Arnis, Co-Director, Strategic Planning and Programming, provided a revenue overview. She explained that as a result of the court decision regarding Initiative 776, and other adjustments the Motor Vehicle Fund had a shortfall of approximately \$34 million. Revenue forecast adjustments have reduced the shortfall by \$14.6 million.

Ms. Hammond and Bill Ford, WSDOT, Budget Chief, provided an overview of the 2004 Supplemental Budget. The Legislature included the majority of the Department's recommended schedule advancements. Ms. Hammond pointed out that the Legislature enacted flexibility language enabling the Transportation Commission to transfer funding within the appropriations provided and between projects, as listed in the LEAP Project list – New Law. The Department will submit a quarterly status report on project delivery to the Legislature.

Don Griffith, Legislative Liaison, shared highlights of enacted legislation from the 2004 Legislative session.

FREIGHT GOODS TRANSPORTATION SYSTEM UPDATE

Charlie Howard, Director, Strategic Planning and Programming, provided an overview of the 2003 Freight Goods Transportation System Update. He explained that the update contains tonnage data derived from freight volumes that encompasses the state highway system, city streets, and county roads. This is the third update adopted since 1995. Today's presentation is being presented to the Commission for adoption by resolution.

It was moved by Commissioner Barnes, and seconded by Commissioner Kargianis to approve Resolution No. 661 adopting the third update of the Freight and Goods Transportation System. The motion passed unanimously.

LEWIS AND CLARK BRIDGE PRESENTATION

Amy Revis, Project Engineer, provided a brief history of the Lewis and Clark Bridge. The 1929 bridge spans the Columbia River between Longview, Washington and Rainier,

Oregon. She explained that the project would replace all of the concrete deck panels on the main span of the bridge, providing an additional 25 years in the life of the bridge. This project is unique and required innovative techniques to meet both the needs of the public and the Department. The expected project completion date is the summer of 2004.

PUBLIC AND LEGISLATOR COMMENT PERIOD

Randy Boss, citizen, commented regarding his concerns with the safety of the Burley-Olalla Interchange.

PUGET SOUND TUNNELS – TECHNOLOGIES AND CONSIDERATIONS

John Reilly, President, John Reilly Associates International, and Dr. Harvey Parker, President, Harvey Parker & Associates, explained the planning and technical considerations related to the potential of future tunnel projects in the Puget Sound Region. Mr. Parker stated that tunnels are an increasingly viable consideration for transportation systems worldwide and should not be avoided in Puget Sound. He explained that the technical capabilities of tunnel construction methods are increasing, which leads to more efficient tunnel construction. Tunnels as well have positive environmental benefits on a life-cycle basis. Tunnels in the Puget Sound area may be designed for freeway standards (2-lane), but would be much more cost effective (3-lane) if designed for arterial standards. Tunneling technology is advancing rapidly; future tunnels should be planned considering technology that can reasonably and conservatively be judged to be available in that time frame.

Mr. Parker provided a brief history of Puget Sound tunnels and shared information regarding the area's soil consistency. He stated that sandy soils, large boulders and other geological features require specialized machines for boring tunnels in this area. The tunneling industry is currently looking into safety and social issues surrounding tunneling projects.

2005 – 2007 BUDGET DEVELOPMENT

Bill Ford, WSDOT, Budget Chief, provided an overview of the budget development schedule.

Amy Arnis, Co-Director, Strategic Planning and Programming, stated that the Department has provided the Commission with the 2005-07 Transportation budget development schedule proposal for the approval of the operating capital budgets. Ms. Arnis provided an overview of the 2005-15 Pro Forma assumptions. The Department proposes that the Commission provide early policy guidance to development of this budget.

It was moved by Commissioner Barnes, and seconded by Commissioner Kargianis to approve the Department's schedule for the development of the current law budget and the preliminary Pro Forma. The motion passed unanimously.

OFFICE OF THE SECRETARY REPORT

Secretary MacDonald commented briefly regarding having met with the Regional Transportation Planning Organizations and Metropolitan Planning Organizations to discuss the Washington Transportation Plan. He shared that he and Chair Davis had met with the Oregon Department of Transportation regarding the progress of the Columbia River crossing.

Chair Davis distributed a letter from himself and Oregon Transportation Commission Chair Stuart Foster requesting that respective Transportation Departments create a joint subcommittee to produce a Columbia River crossing work plan. The subcommittee members from Washington are Chair Davis and Commissioners Ed Barnes and Dan O'Neal.

Secretary MacDonald reported on the status of the Port Angeles graving dock site. He expressed his appreciation to those that participated in negotiations with the Lower Elwha Klallam Tribe in putting together historical preservation and land purchase agreements.

Dennis Sullivan, Chairman, Lower Elwha Klallam Tribe, shared that there were many difficult issues to address in the negotiation process. He thanked the Department, tribal members, other governing officials, and the community of Port Angeles for their support during this difficult time.

Colleen Jollie, WSDOT Tribal Liaison, presented the Traveling Coyote Award to Secretary MacDonald in appreciation of his active participation in Tribal relations.

Dan Mathis, Division Administrator, Federal Highway Administration, provided a federal funding update.

COMMISSIONER REPORTS

Commissioner Forner reported that she attended a Regional Transportation Planning Organization meeting.

Commissioner Barnes reported that he attended an aviation award function, and a freight mobility conference

Commissioner Stedman reported that he has been involved in freight mobility issues.

Chair Davis reported that he attended a joint WSDOT/ODOT meeting with the Chair of the Oregon Transportation Commission.

The Commission meeting adjourned at 5:00 p.m., on March 17, 2004.

WASHINGTON STATE TRANSPORTATION COMMISSION

AUBREY DAVIS, Chair

GEORGE KARGIANIS, Vice-Chair

EDWARD BARNES, Member

DALE STEDMAN, Member

ELMIRA FORNER, Member

DANIEL O'NEAL, Member

A. MICHÈLE MAHER, Member

DOUGLAS MACDONALD, Ex-Officio Member
Secretary of Transportation

ATTEST:

JENNIFER ZIEGLER, Administrator